

COPY

FILED

STATE OF INDIANA

JUN 28 2007

INDIANA UTILITY REGULATORY COMMISSION INDIANA UTILITY
REGULATORY COMMISSION

IN THE MATTER OF THE PETITION OF)
SOUTH HAVEN SEWER WORKS, INC.,)
FOR APPROVAL OF A NEW SCHEDULE)
OF RATES AND CHARGES FOR SEWAGE)
DISPOSAL SERVICE IN RURAL AREAS)
OF PORTER COUNTY)

CAUSE NO. 43310

PETITION AND NOTICE OF INTENT TO FILE UNDER 170 IAC 1-5-1, ET SEQ.

South Haven Sewer Works, Inc. ("South Haven"), by counsel, respectfully files its Petition and Notice of Intent to File Under 170 IAC 1-5-1, *et seq.* (the "Petition") with the Indiana Utility Regulatory Commission ("Commission") requesting a new schedule of rates and charges for sewage disposal service in rural areas of Porter County, Indiana. South Haven respectfully shows the Commission the following in support of its Petition:

1. South Haven is a corporation organized and existing under and by virtue of the laws of the State of Indiana, with its principal place of business in Porter County, Indiana and has corporate power and authority, pursuant to its Articles of Incorporation, to engage in sewage disposal service within rural areas of the State of Indiana.
2. South Haven is a public utility, as defined by Indiana Code § 8-1-2-1, and thus is under the jurisdiction of the Commission.
3. South Haven owns, operates, manages and controls utility plant, equipment, land, land rights, appurtenant facilities and other property that are used and useful in providing sewage disposal service to customers residing in South Haven's certificated territory in Porter County, Indiana.

4. South Haven's current rates and charges were approved in the Commission's November 2, 2005 Order issued in Cause No. 48222. The Commission also approved a system development charge (the "SDC") for South Haven in its Order issued on June 7, 2006 in Cause No. 42985, but South Haven does not request modification of the SDC in this proceeding.

5. South Haven's current rates are insufficient to cover current expenses and provide for the financial integrity of South Haven. Additionally, South Haven's current rates do not provide a reasonable return on the investment of South Haven's shareholders. Therefore, South Haven's current rates are insufficient, confiscatory and subject South Haven, its customers and its shareholders to significant injury.

6. South Haven proposes and requests that the test year to be used in this proceeding be the twelve (12) months ended December 31, 2006. South Haven requests that the cut-off date for determining the in-service date for assets to be included in rate base valuation be in accordance with 170 IAC 1-5-1, *et seq.* South Haven hereby requests that the value of South Haven's rate base be determined by including the value of assets that constitute major projects, which are set forth below and placed in service up to the date ten (10) days prior to the evidentiary hearing as provided for in 170 IAC 1-5-1, *et seq.*:

A. Consent Decree Project, Phase II. This major project involves the removal of inflow and infiltration ("I&I") from South Haven's collection system. Phase II of the Consent Decree Project also involves rehabilitation of sewer mains and facilities and demonstration to the United States Environmental Protection Agency that a measurable amount of I&I has been removed from South Haven's system such that the projected flow

from any new service areas does not increase the potential for noncompliance events or violations. The estimated cost of this major project is \$152,336.

7. South Haven believes the statutes applicable to this Petition are Indiana Code §§ 8-1-2-4, -6, -38 to -45, and -61, among other related sections. South Haven also believes that 170 IAC 1-1.1-1, *et seq.*, 1-5-1, *et seq.* and 8.5-1-4, among other related sections, are applicable to this request for a new schedule of rates and charges.

8. Concurrently with this Petition, South Haven is filing its case-in-chief in this Cause.

9. The name and address of the attorney for South Haven in connection with this Petition is David T. McGimpsey of Bingham McHale LLP, 2700 Market Tower, 10 West Market Street, Indianapolis, IN 46204, who is authorized to accept service of papers in this proceeding on behalf of South Haven.

WHEREFORE, South Haven respectfully prays that:

(a) the Commission set a pre-hearing conference on this matter as soon as the Commission's calendar and the giving of notice will allow;

(b) the Commission makes such investigation of this matter as it deems appropriate; and

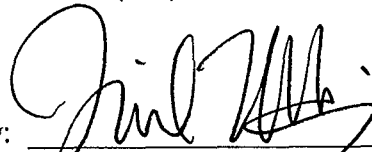
(c) upon investigation and after hearing, enter an Order declaring that a new schedule of rates and charges for South Haven is just and reasonable and, therefore, acceptable, and granting all other relief appropriate in the premises.

Dated as of this 18th day of June, 2007.

Respectfully submitted,

BINGHAM MCHALE LLP
2700 Market Tower
10 West Market Street
Indianapolis, Indiana 46204
Telephone: (317) 635-8900
Facsimile: (317) 236-9907

By:

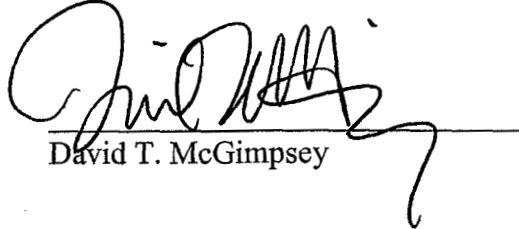


David T. McGimpsey [21015-49]

Attorney for Petitioner, South Haven Sewer
Works, Inc.

CERTIFICATE OF SERVICE

I certify that I have served two (2) copies of the foregoing upon the Office of the Utility Consumer Counselor, Room N501, Indiana Government Center North, 100 North Senate Avenue, Indianapolis, Indiana 46204, by first-class United States mail, postage prepaid, or by hand delivery, on the 28th day of June, 2007.



David T. McGimpsey

703484.58738//947067.1